

EXECUTED IN 8 COUNTERPARTS

No. 7

6795

**Conditional Sale Agreement**

RECORDATION NO. \_\_\_\_\_ Filed & Recorded

Dated as of September 1, 1972

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INTERSTATE COMMERCE COMMISSION

BETWEEN

**GREENVILLE STEEL CAR COMPANY**

AND

**SOUTHERN RAILWAY COMPANY**

**Agreement and Assignment**

Dated as of September 1, 1972

BETWEEN

**GREENVILLE STEEL CAR COMPANY**

AND

**FIRST NATIONAL CITY BANK**

CONDITIONAL SALE AGREEMENT, dated as of September 1, 1972 between GREENVILLE STEEL CAR COMPANY, a Pennsylvania corporation (hereinafter called the "Vendor" or "Builder" as the context may require, all as more particularly set forth in Article 27 hereof), and SOUTHERN RAILWAY COMPANY, a Virginia corporation (hereinafter called the "Railroad").

WHEREAS, the Builder has agreed to construct, sell and deliver to the Railroad, and the Railroad has agreed to purchase the railroad equipment described in Schedule A attached hereto (hereinafter called the "Equipment"); and

WHEREAS, the Builder and the Railroad have agreed that this Conditional Sale Agreement (which agreement, including, but not limited to, the prices of the units of Equipment set forth in the Railroad's Purchase Order No. 119125, dated August 17, 1972, incorporated by reference in Article 3 hereof, is hereinafter called the "Agreement") shall exclusively and completely state the rights of the Builder and the Railroad with respect to the Equipment, and shall supersede all other agreements, oral or written, with respect to the Equipment;

Now, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. *Construction and Sale.* The Builder shall construct the Equipment at its plant set forth in Schedule A hereto and will sell and deliver the Equipment to the Railroad and the Railroad will purchase from the Builder and accept delivery of and pay for the Equipment as hereinafter provided, each unit of which will be constructed in accordance with the specifications referred to in Schedule A hereto and in accordance with such minor modifications thereof as may be agreed upon in writing between the Builder and the Railroad, which specifications and modifications are, by reference, made a part of this Agreement as fully as though expressly set forth herein and are hereinafter called the "Specifications." The design, quality and component parts of each unit of the Equipment will conform, on the date of completion of manufacture of each thereof, to all Department of Transportation (Federal Railroad Administration) and Interstate Commerce Commission requirements and specifications for new equip-

ment and to all standards recommended by the Association of American Railroads interpreted as being applicable to railroad equipment of the character of such units of the Equipment, and each unit of the Equipment will be new railroad equipment.

**ARTICLE 2. *Inspection and Delivery.*** The Builder will deliver the various units of the Equipment to the Railroad, freight charges, if any, prepaid, at such point or points on tracks of the Railroad as shall be specified by the Railroad. Such delivery shall have been completed no later than December 31, 1972 (hereinafter called the "Cut-Off Date").

The Builder's obligation as to time of delivery is subject, however, to delays resulting from causes beyond the Builder's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

Notwithstanding the preceding provisions of this Article, any Equipment not delivered, accepted and settled for pursuant to Article 3 hereof on or before the Cut-Off Date shall be excluded herefrom. If any Equipment shall be excluded from this Agreement pursuant to the immediately preceding sentence, the Railroad and the Builder shall execute an agreement supplemental hereto limiting this Agreement to the Equipment not so excluded herefrom. If the Builder's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by the Builder, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement, equipment trust or such other appropriate method of financing as the Railroad shall determine and the Builder shall approve.

During construction, the Equipment shall be subject to inspection and approval by inspectors or other authorized representatives of the Railroad, and the Builder shall grant to such inspectors or authorized

representatives reasonable access to its plant. The Builder agrees to inspect all materials used in the construction of the Equipment in accordance with the standard quality control practices of the Builder. Upon completion of each unit or a number of units of the Equipment, such unit or units shall be presented to an inspector or other authorized representative of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit conforms to the Specifications, requirements and standards applicable thereto, such inspector or authorized representative of the Railroad shall execute and deliver to the Builder a certificate of acceptance (hereinafter called the "Certificate of Acceptance"), in such number of counterparts or copies as may reasonably be requested, stating that such unit has been inspected and found to be completely in accordance with this Agreement and the Specifications, requirements and standards applicable thereto, and that each unit of the Equipment described in said Certificate has been delivered to and unconditionally accepted on the Railroad's behalf by such inspector or authorized representative at the place therein specified, and that each such unit is marked in accordance with Article 6 hereof; *provided, however*, that the Builder shall not thereby be relieved of its warranty set forth or referred to in Article 9 hereof.

On delivery of each such unit hereunder at the place specified for delivery, the Railroad will assume with respect thereto the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of any unit of or all the Equipment; *provided, however*, that the Builder shall not thereby be relieved of its warranty set forth or referred to in Article 9 hereof.

**ARTICLE 3. *Purchase Price and Payment.*** The base price or prices per unit of the Equipment are set forth in the Railroad's Purchase Order No. 119125, dated August 17, 1972, which price or prices are hereby incorporated herein by reference to the same extent and with the same effect as if set forth in full herein. The base price or prices may include estimated freight charges from the Builder's plant to the point of delivery and shall be subject to increase or decrease, by reason of a change in the freight charges as estimated, or, as may be otherwise mutually agreed upon by the Builder and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased.

For the purpose of making settlement for the Equipment, the Equipment shall be treated as a single group (each group of units of Equipment permitted by this paragraph being hereinafter called a "Group"); *provided, however*, that if there shall at any time have been delivered to and accepted by the Railroad any units of the Equipment and the Builder shall be prevented by one or more of the causes referred to in the second paragraph of Article 2 hereof from delivering additional units of the Equipment for a period of 15 business days or more following presentation by the Builder to the Railroad of the Certification of Acceptance with respect to such delivered and accepted units of Equipment, such delivered and accepted units of Equipment may, at the option of the Builder, constitute an additional Group for purposes of settlement.

Subject to the provisions of this Article the Railroad hereby acknowledges itself to be indebted to the Vendor in the amount of, and promises to pay in cash to the Vendor at such place as the Vendor may designate, the Purchase Price of the units of Equipment as follows:

(a) On the Closing Date (as hereinafter defined) with respect to each Group, the amount by which (i) the sum of (A) the aggregate Purchase Price of all units of Equipment in such Group, as stated in the invoice therefor (hereinafter called the "Group Invoiced Purchase Price") plus (B) the aggregate amount of the Group Invoiced Purchase Prices of all other units of Equipment for which settlement has theretofore been, or is then being, made exceeds (ii) the sum of (x) \$1,000,000 plus (y) any amount previously paid under this subparagraph (a);

(b) Upon receipt from the Builder of a final certificate or certificates (hereinafter called the "Final Certificate") of the aggregate Purchase Price for all Groups to be settled for with the Builder as provided herein, the amount, if any, by which the final aggregate Purchase Price of all such Groups, as stated therein (hereinafter called the "Final Invoiced Purchase Price"), shall exceed the sum of the Group Invoiced Purchase Prices of all such Groups; and

(c) In 16 substantially equal consecutive semi-annual installments, as hereinafter provided, an amount equal to the sum of the Group Invoiced Purchase Prices of all units of Equipment, less the amounts paid or payable in respect thereof pursuant to subpara-

graph (a) of this paragraph (the amount payable pursuant to this subparagraph (c), which shall not exceed \$1,000,000 in aggregate principal amount, being hereinafter called the "Conditional Sale Indebtedness"), *provided, however*, that the last such instalment shall be in the amount necessary to repay in full the unpaid amount of the Conditional Sale Indebtedness.

If this Agreement shall be assigned by the Builder, the obligations of the Railroad under subparagraphs (a) and (b) of the preceding paragraph of this Article shall be unsecured obligations and the Builder shall not have any lien on, security interest in, or claim against, any unit of Equipment or any part thereof in respect of such obligations.

The first instalment of the Conditional Sale Indebtedness shall be payable on March 31, 1973, and subsequent instalments shall be payable thereafter on each March 31 and September 30 of each year to and including September 30, 1980. The unpaid balance of the Conditional Sale Indebtedness outstanding from time to time under this Agreement shall bear interest (A) during the period from and including the initial Closing Date under this Agreement to (but not including) the first business day of the calendar quarter next succeeding the calendar quarter in which the initial Closing Date occurs at an interest rate equal to  $\frac{1}{4}$  of 1% per annum greater than the base rate of First National City Bank on 90-day loans to responsible and substantial commercial borrowers (hereinafter called the "Base Rate") in effect on such initial Closing Date and (B) during the period from and including the first business day of the calendar quarter next succeeding the calendar quarter in which the initial Closing Date occurs to (but not including) the final maturity of the Conditional Sale Indebtedness at a fluctuating interest rate equal to  $\frac{1}{4}$  of 1% per annum greater than the Base Rate in effect on the first business day of each successive calendar quarter after the calendar quarter in which the initial Closing Date occurs (commencing on the first such business day after the initial Closing Date), each change in such interest rate to take effect on the first business day of each calendar quarter in each year and to remain in effect until the first business day of the next succeeding calendar quarter. Such interest shall be payable quarterly, to the extent accrued, on the last day of each March, June, September and December in each year, commencing on December 31, 1972, and upon final maturity of the Conditional Sale Indebtedness.

The Final Certificate shall be delivered by the Builder on or before the Cut-Off Date, and, if not so delivered, the Final Invoiced Purchase Price of the units of Equipment shall be, for all purposes of this Agreement, the sum of the Group Invoiced Purchase Prices of the units of Equipment. The Builder agrees that the Group Invoiced Purchase Prices of the units of Equipment shall be so fixed that they will not in the aggregate exceed the Final Invoiced Purchase Price thereof.

The term "Closing Date" with respect to any Group of the units of Equipment shall mean such business day, not later than the Cut-Off Date, not more than 10 business days following presentation by the Builder to the Railroad of the Certificate of Acceptance and the invoice for such Group, as shall be fixed by the Railroad by written notice received by the Vendor at least 2 business days prior to the Closing Date designated therein. The term "business day" as used herein means a calendar day which, in The City of New York, is not a Saturday, a Sunday, a holiday or a day on which banking institutions are authorized by law to close.

Interest under this Agreement shall be determined on the basis of a 360-day year of twelve 30-day months.

Anything herein to the contrary notwithstanding, the Railroad will pay on demand, to the extent legally enforceable, interest upon all amounts remaining unpaid after the same shall have become due and payable pursuant to the terms hereof at a fluctuating rate of interest equal (i) at all times during the first 30 days after such amounts shall have become due and payable to  $\frac{1}{4}$  of 1% per annum greater than the Base Rate in effect on the day on which such amounts become due and payable and (ii) at all times thereafter until payment in full to  $1\frac{1}{4}$ % per annum greater than the Base Rate in effect from time to time, each change in such interest rate to take effect simultaneously with the corresponding change in the Base Rate.

All payments provided for in this Agreement shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. In any case where the date of a payment provided for in this Agreement shall occur on a day other than a business day, then such payment need not be made on such date but may be made on the next succeeding business day, and such extension of time shall in such case

be included in computing interest in connection with the next succeeding payment of interest, *provided, however*, that the final payment of interest under this Agreement shall include any and all interest accrued to the date on which such last payment is made. The Railroad shall have the right at any time and from time to time, upon 5 business days' written notice from the Railroad to the Vendor, to prepay the Conditional Sale Indebtedness in whole or in part without premium or penalty but with accrued interest thereon to the date of such prepayment on the amount prepaid. Each partial prepayment shall be in the amount of \$200,000 or an integral multiple thereof and shall be applied to the latest maturing instalments of the Conditional Sale Indebtedness in the inverse order of their maturities.

ARTICLE 4. *Taxes.* All payments to be made by the Railroad hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor in respect of the amount of any local, state or Federal taxes (other than income, gross receipts, excess profits and similar taxes) or license fees, fines or penalties hereafter levied or imposed upon or measured by this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof, all of which expenses, taxes, license fees, fines and penalties the Railroad assumes and agrees to pay on demand in addition to the indebtedness in respect of the Purchase Price of the Equipment. The Railroad will also pay promptly all taxes and assessments which may be imposed upon the Equipment delivered to it or for the use or operation thereof by the Railroad or upon the earnings arising therefrom or upon the Vendor solely by reason of its ownership thereof and will keep at all times all and every part of the Equipment free and clear of all taxes and assessments which might in any way affect the title of the Vendor or result in a lien upon any unit of the Equipment; *provided, however*, that the Railroad shall be under no obligation to pay any taxes, assessments, license fees, charges, fines or penalties of any kind so long as it is contesting in good faith and by appropriate legal proceedings such taxes, assessments, license fees, charges, fines or penalties and the non-payment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor in or to the Equipment or otherwise under this Agreement. If any such expenses, taxes, assessments, license fees, charges, fines or penalties shall have been charged or levied against the Vendor di-



rectly and paid by the Vendor, the Railroad shall reimburse the Vendor upon presentation of an invoice therefor, and any sums of money so paid by the Vendor shall be secured by and under this Agreement as a lien on the Equipment; *provided, however*, that the Railroad shall not be obligated to reimburse the Vendor for any expenses, taxes, assessments, license fees, charges, fines or penalties so paid unless the Vendor shall have been legally liable with respect thereto (as evidenced by an opinion of counsel for the Vendor), or unless the Railroad shall have approved the payment thereof.

ARTICLE 5. *Title to the Equipment.* The Vendor shall and hereby does retain the full legal title to and property in the Equipment delivered to the Railroad hereunder until the Railroad shall have made all of the payments hereunder and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Railroad as provided in this Agreement. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the term "Equipment" as used in this Agreement.

When and only when the Vendor shall have been paid the full indebtedness in respect of the Purchase Price of the Equipment, together with interest and all other payments as herein provided, and all the Railroad's obligations herein contained shall have been performed by the Railroad, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad without further transfer or action on the part of the Vendor. However, the Vendor, if so requested by the Railroad at that time, will (a) execute a bill or bills of sale for the Equipment transferring the Vendor's title thereto and property therein to the Railroad, or upon its order, free of all liens, security interests and other encumbrances created or retained hereby and deliver such bill or bills of sale to the Railroad at its address referred to in Article 23 hereof, (b) execute and deliver at the same place, for filing, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the title of the Railroad to the Equipment and (c) pay to the Railroad any money paid to the Vendor pursuant to Article 7

hereof and not theretofore applied as therein provided. The Railroad hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file such certificate within a reasonable time after written demand by the Railroad.

ARTICLE 6. *Marking of Equipment.* The Railroad will cause each unit of the Equipment to be kept numbered with its identifying number as set out in Schedule A hereto, or in the case of Equipment not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such Equipment, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit, in letters not less than one-half inch in height, the following: "OWNED BY A BANK OR TRUST COMPANY UNDER A FINANCING AGREEMENT RECORDED WITH THE INTERSTATE COMMERCE COMMISSION UNDER SECTION 20C OF THE INTERSTATE COMMERCE ACT"; or other appropriate words designated by the Vendor, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Vendor's title to and property in the Equipment and its rights under this Agreement. The Railroad will not place any such unit in operation or exercise any control or dominion over any part thereof until such name and words shall have been so marked on each side thereof and will replace promptly any such name and words which may be removed, defaced or destroyed. The Railroad will not change the number of any unit of the Equipment except with the consent of the Vendor and in accordance with a statement of new number or numbers to be substituted therefor, which consent and statement previously shall have been filed with the Vendor by the Railroad and filed, recorded and deposited by the Railroad in all public offices where this Agreement shall have been filed, recorded or deposited.

Except as provided above, the Railroad will not allow the name of any person, association or corporation to be placed on the Equipment as a designation that might be interpreted as a claim of ownership by the Railroad or anyone other than the Vendor; *provided, however, that*

the Railroad may cause the Equipment to be lettered with the name, initials or insignia of the Railroad, or may cause the Equipment to be lettered in some other manner for convenience of identification of the interest of the Railroad therein.

ARTICLE 7. *Replacement of Equipment.* In the event that any unit of Equipment shall be worn out, lost, condemned, stolen, destroyed, irreparably damaged or seized by government or otherwise rendered permanently unfit for use from any cause whatsoever (such occurrences being hereinafter called "Casualty Occurrences") prior to the payment of the full amount of the Conditional Sale Indebtedness, together with interest thereon, and all other payments required hereby, and in the event that the total Casualty Value (as hereinafter defined) of units that shall have suffered a Casualty Occurrence shall exceed \$50,000 (exclusive of units having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Vendor pursuant to this Article), the Railroad shall promptly and fully inform the Vendor in regard thereto. When the total Casualty Value of units that have suffered a Casualty Occurrence shall exceed \$250,000 (exclusive of units having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Vendor pursuant to this Article), the Railroad shall promptly pay to the Vendor a sum equal to the Casualty Value of such units, as of the date of such payment and the Vendor shall not thereafter have any interest in such unit or in any material salvageable from such unit. For all purposes of this Article the "Casualty Value" of any unit suffering a Casualty Occurrence (other than a replacement unit) shall be that proportion of the original Purchase Price of such unit remaining unpaid (each payment of the Conditional Sale Indebtedness, other than any payments made pursuant to this Article, being deemed to be applied pro rata to the payment of the Purchase Price of such unit) as of the date payment is made with respect to such Casualty Occurrence. The "Casualty Value" of each replacement unit suffering a Casualty Occurrence shall be that proportion of the cost of such unit (provided through the application of moneys paid to the Vendor pursuant to the first paragraph of this Article) which the number of instalment payment dates remaining as of the date payment is made with respect to such Casualty Occurrence to and including September 30, 1980 bears to the number of instalment payment dates so remaining as of the date of the acquisition of such replacement unit.

COMMONWEALTH OF PENNSYLVANIA }  
COUNTY OF MERCER } ss.:

On this 30th day of October, 1972, before me personally appeared H. C. Buecht, to me personally known, who, being by me duly sworn, says that he is a Vice President of GREENVILLE STEEL CAR COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Leora Smith

Notary Public

[NOTARIAL SEAL]

My Commission Expires Feb. 21, 1973

LEORA SMITH, Notary Public

GREENVILLE, MERCER COUNTY

My Commission Expires Feb. 21, 1973

STATE OF NEW YORK }  
COUNTY OF NEW YORK } ss.:

On this 25 day of October, 1972, before me personally appeared PATRICK F. BOWDITCH, to me personally known, who, being by me duly sworn, says that he is a Vice President of FIRST NATIONAL CITY BANK, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Frank P. Falcone

Notary Public

[NOTARIAL SEAL]

My Commission Expires Notary Public, State of New York

No. 41-1154025

Qualified in Queens County  
Term Expires March 30, 1973

**ACKNOWLEDGEMENT OF NOTICE OF ASSIGNMENT**

Receipt of a signed copy of, and due notice of the assignment made by, the foregoing Agreement and Assignment, is hereby acknowledged.

SOUTHERN RAILWAY COMPANY

By *K.G. Storer*  
Vice President

Dated: November 3, 1972

AGREEMENT AND ASSIGNMENT dated as of September 1, 1972, between GREENVILLE STEEL CAR COMPANY, a Pennsylvania corporation (hereinafter called the "Builder"), and FIRST NATIONAL CITY BANK, a national banking association organized under the laws of the United States of America (said bank being hereinafter called the "Assignee").

WHEREAS, the Builder and Southern Railway Company, a corporation duly organized and existing under the laws of the Commonwealth of Virginia, with an office in the City of Washington, District of Columbia (hereinafter called the "Railroad"), have entered into a Conditional Sale Agreement, dated as of September 1, 1972 (hereinafter called the "Conditional Sale Agreement"), covering the construction, sale and delivery, on the conditions therein set forth, by the Builder and the purchase by the Railroad of the railroad equipment described in Schedule A to the Conditional Sale Agreement (said equipment being hereinafter called the "Equipment");

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT WITNESSETH: That, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by the Assignee to the Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

SECTION 1. The Builder hereby assigns, transfer and sets over unto the Assignee, its successors and assigns:

(a) All the right, title and interest of the Builder in and to the Equipment and each unit thereof when and as severally delivered and accepted and upon payment by the Assignee to the Builder of the amounts required to be paid under Section 6 hereof with respect to such unit;

(b) All the right, title and interest of the Builder in and to the Conditional Sale Agreement in respect of the Equipment to be constructed and sold by the Builder thereunder (except the rights to construct and to deliver the Equipment and the rights to receive the payments specified in subparagraphs (a) and (b) of the third paragraph of Article 3 thereof and in the final paragraph of Article 16 thereof) and the right to reimbursement for taxes as provided

in Article 4 of the Conditional Sale Agreement, and in and to any and all amounts which may be or become due or owing by the Railroad to the Builder under the Conditional Sale Agreement on account of its indebtedness in respect of the aggregate Purchase Price (as defined in the Conditional Sale Agreement) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the Conditional Sale Agreement, other than those hereinabove excluded; and

(c) All of the Builder's rights (except as herein provided), powers, privileges and remedies under the Conditional Sale Agreement

(without any recourse, however, against the Builder for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the Conditional Sale Agreement); *provided, however*, that this Agreement and Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the obligations of the Builder to construct and to deliver the Equipment to be sold by the Builder in accordance with the Conditional Sale Agreement or in respect of its warranties and indemnities contained in Articles 9 and 15 of the Conditional Sale Agreement or relieve the Railroad from its obligations to the Builder under Articles 1, 2, 4, 14, 15 and 16 of the Conditional Sale Agreement, it being understood and agreed that, notwithstanding this Agreement and Assignment, or any subsequent assignment pursuant to the provisions of Article 16 of the Conditional Sale Agreement, all obligations of the Builder to the Railroad in respect of the Equipment shall be and remain enforceable by the Railroad, its successors and assigns, against and only against the Builder. In furtherance of the foregoing assignment and transfer, the Builder hereby authorizes and empowers the Assignee in the Assignee's own name, in the name of the Assignee's nominee, or in the name of and as attorney, hereby irrevocably constituted, for the Builder to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Agreement and Assignment and compliance by the Railroad with the terms and agreements on its part to be performed under the Conditional Sale Agreement, but at the expense and liability and for the sole benefit of the Assignee.

The Builder agrees that any amount payable to the Builder by the Railroad, whether pursuant to the Conditional Sale Agreement or otherwise, not hereby assigned to the Assignee, shall not be secured by any lien, charge or security interest upon the Equipment or any unit thereof.

SECTION 2. The Builder covenants and agrees that it will construct the Equipment in full accordance with the Conditional Sale Agreement and will deliver the same upon completion to the Railroad in accordance with the provisions of the Conditional Sale Agreement; and that, notwithstanding this Agreement and Assignment, it will perform and fully comply with each and all of the covenants and conditions of the Conditional Sale Agreement set forth to be performed and complied with by the Builder. The Builder further covenants and agrees that it will warrant to the Assignee and the Railroad that at the time of delivery of each unit of the Equipment under the Conditional Sale Agreement it had legal title to such unit and good and lawful right to sell such unit and the title to such unit was free of all claims, liens, security interests and other charges and encumbrances of any nature except only the rights of the Railroad under the Conditional Sale Agreement; and the Builder further covenants and agrees that it will defend the title to such unit against all claims and demands whatsoever. The Builder will not deliver any of the Equipment to be constructed and sold by the Builder to the Railroad until the filings and recordations referred to in Article 21 of the Conditional Sale Agreement have been effected.

SECTION 3. The Builder covenants and agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the Conditional Sale Agreement for any amount which may be due or owing by the Railroad on account of its indebtedness in respect of the aggregate Purchase Price of the Equipment and interest thereon, and any other sums becoming due under the Conditional Sale Agreement, or to enforce any provision of the Conditional Sale Agreement, the Builder will indemnify, protect and hold harmless the Assignee from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever of the Railroad arising out of a breach by the Builder of any obligation with respect to the Equipment, or the manufacture, construction, delivery or warranty thereof, or under



Articles 9 and 15 of the Conditional Sale Agreement, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by the Builder. Any and all such obligations shall be and remain enforceable by the Railroad against and only against the Builder and shall not be enforceable against the Assignee or any party or parties in whom title to the Equipment, or any unit thereof, or any of the rights of the Builder under the Conditional Sale Agreement, shall vest by reason of this assignment or of successive assignments or transfers. The Builder shall have no liability under the foregoing provisions of this Section unless (a) the Assignee, in any such suit, proceeding or action by the Assignee, hereinabove described, promptly moves or takes other appropriate action on the basis of Article 16 of the Conditional Sale Agreement, to strike any such defense, setoff, counterclaim or recoupment asserted by the Railroad and the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit, proceeding or action, and (b) upon any such denial and acceptance, the Assignee (i) promptly notifies the Builder of the Equipment of any such defense, setoff, counterclaim or recoupment asserted by the Railroad and (ii) gives the Builder the right to compromise, settle or defend against, at its expense, such defense, setoff, counterclaim or recoupment. Except in cases of articles or material specified by the Railroad and not manufactured by the Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by the Builder, the Builder agrees to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of the Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right.

SECTION 4. The Builder will cause to be plainly, distinctly, permanently and conspicuously marked on each side of each unit of the Equipment, to be constructed and sold by the Builder, at the time of

delivery thereof to the Railroad, in letters not less than one-half inch in height, the following legend:

“OWNED BY A BANK OR TRUST COMPANY UNDER A FINANCING AGREEMENT  
RECORDED WITH THE INTERSTATE COMMERCE COMMISSION UNDER SECTION  
20c OF THE INTERSTATE COMMERCE ACT”.

SECTION 5. Upon request of the Assignee, its successors and assigns, the Builder will execute any and all instruments which may be necessary or proper in order to discharge of record the Conditional Sale Agreement or any other instrument evidencing any interest of the Builder therein or in the Equipment.

SECTION 6. The Assignee, on each Closing Date fixed as provided in Article 3 of the Conditional Sale Agreement with respect to a Group of Equipment (as defined in said Article 3) or as otherwise hereinafter set forth, shall pay to the Builder an amount equal to that portion of the Purchase Price of such Group to be paid pursuant to subparagraph (c) of the third paragraph of said Article 3, *provided* that there shall have been delivered to the Assignee, as provided in Article 16 of the Conditional Sale Agreement, the following documents, in such number of counterparts or copies as may reasonably be requested, in form and substance satisfactory to it and to the counsel for the Assignee:

(a) Bill of Sale from the Builder to the Assignee, dated as of such Closing Date, transferring to the Assignee title to the units of the Equipment in such Group and warranting to the Assignee and to the Railroad that at the time of delivery to the Railroad under the Conditional Sale Agreement the Builder had legal title to such units and good and lawful right to sell such units and title to such units was free of all claims, liens, security interests and other charges and encumbrances of any nature except only the rights of the Railroad under the Conditional Sale Agreement;

(b) Certificate of Acceptance (as defined in Article 2 of the Conditional Sale Agreement) signed by an authorized representa-

tive of the Railroad stating (i) that each unit of the Equipment in such Group has been inspected and found to be completely in accordance with the Conditional Sale Agreement and the Specifications, requirements and standards applicable thereto referred to in the Conditional Sale Agreement, (ii) that each such unit has been delivered to and unconditionally accepted on behalf of the Railroad, (iii) that each such unit was marked in accordance with Article 6 of the Conditional Sale Agreement and (iv) that there was plainly, distinctly, permanently and conspicuously marked on each side of each such unit at the time of its acceptance, in letters not less than one-half inch in height, the following legend:

“OWNED BY A BANK OR TRUST COMPANY UNDER A FINANCING AGREEMENT  
RECORDED WITH THE INTERSTATE COMMERCE COMMISSION UNDER SECTION  
20C OF THE INTERSTATE COMMERCE ACT”;

(c) Invoice of the Builder for the units of the Equipment in such Group accompanied by or having endorsed thereon a certification by the Railroad as to the correctness of the prices of such units as set forth in said invoice;

(d) Opinion of counsel for the Railroad, dated as of such Closing Date, to the effect that (i) the Railroad is a duly organized and existing corporation in good standing under the laws of Virginia, its state of incorporation, and has the power and authority to own its properties and to carry on its business as now conducted, (ii) the Conditional Sale Agreement has been duly authorized, executed and delivered by the Railroad and is a legal, valid and binding instrument enforceable against the Railroad in accordance with its terms and, upon the delivery of the Conditional Sale Agreement for value by the Railroad and assuming that this Agreement and Assignment is in full force and effect, the Conditional Sale Agreement creates in favor of the Assignee a legal and valid first security interest in the units of the Equipment in such Group, (iii) (A) the Conditional Sale Agreement and this Agreement and Assignment have been duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act and no other filing or recording is necessary for the protection of the rights of the Assignee in any

state of the United States of America or in the District of Columbia and (B) all actions required to protect fully the Assignee's title to the units of the Equipment in such Group and to perfect fully the Assignee's security interest in and to such units have been taken and completed, (iv) title to the units of the Equipment in such Group is validly vested in the Assignee and such units, at the time of delivery thereof to the Railroad under the Conditional Sale Agreement, were free of all claims, liens, security interests and other charges and encumbrances except only the rights of the Railroad under the Conditional Sale Agreement and (v) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the valid execution, delivery and performance of the Conditional Sale Agreement or the acknowledgement to this Agreement and Assignment;

(e) An opinion of counsel for the Builder, dated as of such Closing Date, stating that (i) the Builder is a duly organized and existing corporation in good standing under the laws of Pennsylvania, the state of its incorporation, and has the power and authority to own its properties and to carry on its business as now conducted, (ii) the Conditional Sale Agreement has been duly authorized, executed and delivered by the Builder and is a legal, valid and binding instrument enforceable against the Builder in accordance with its terms, (iii) this Agreement and Assignment has been duly authorized, executed and delivered by the Builder and is a legal, valid and binding instrument enforceable against the Builder in accordance with its terms, (iv) no approval of any governmental authority is necessary for the valid execution, delivery and performance of this Agreement and Assignment by the Builder, (v) the Assignee is vested with all the rights, titles, interests, powers, privileges and remedies of the Builder in and to the Conditional Sale Agreement purported to be assigned to the Assignee by this Agreement and Assignment and (vi) title to the units of Equipment in such Group is validly vested in the Assignee and such units, at the time of delivery thereof to the Railroad under the Conditional Sale Agreement, were free of all claims, liens, security interests and other charges and encumbrances except only the rights of the Railroad under the Conditional Sale Agreement; and

(f) Unless payment of the amount payable pursuant to subparagraph (a) of the third paragraph of Article 3 of the Conditional Sale Agreement shall be made by the Assignee with funds furnished to it for that purpose by the Railroad, the receipt from the Builder of the Equipment for such payment.

In giving the opinions specified in subparagraphs (d) and (e) of the first paragraph of this Section, counsel may qualify any opinion to the effect that any agreement is enforceable in accordance with its terms, by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally. Any opinion delivered hereunder after the Closing Date relating to the initial settlement for Equipment under this Section may state that counsel signing such opinion reaffirms any statement contained in any opinion of the same counsel theretofore delivered hereunder without repeating the substance of such earlier opinion.

It is understood and agreed that the Assignee shall not be required to make (i) any payment in respect of any units of the Equipment excluded from the Conditional Sale Agreement pursuant to Article 2 thereof or (ii) any payment under this Section at any time while an event of default, or any event which with the lapse of time or demand or both provided for in the Conditional Sale Agreement shall become an event of default, shall have occurred and shall be continuing under the Conditional Sale Agreement.

SECTION 7. The Assignee may assign all or any of its rights under the Conditional Sale Agreement, including the right to receive any payment due or to become due to it from the Railroad thereunder. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder. In compliance with Article 23 of the Conditional Sale Agreement the address of the Assignee for purposes of notices and payments is 399 Park Avenue, New York, New York 10022, Attention: Surface Transportation Department, or such other address as the Assignee shall have furnished in writing to the Railroad.

SECTION 8. The Builder hereby:

(a) represents and warrants to the Assignee, its successors and assigns, that the Conditional Sale Agreement was duly authorized by it and lawfully executed and delivered by it for a valid consideration, and that assuming valid authorization, execution and delivery by the Railroad, the Conditional Sale Agreement is a valid and existing agreement binding upon the Builder and the Railroad in accordance with its terms and that it is now in force without amendment thereto;

(b) covenants and agrees that it will from time to time and at all times, at the request of the Assignee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary or appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be.

SECTION 9. This Agreement and Assignment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart. The Assignee agrees to deliver one of such counterparts, or a certified copy thereof, to the Railroad. Although this Agreement and Assignment is dated for convenience as of September 1, 1972, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 10. The terms of this Agreement and Assignment and the rights and obligations hereunder shall be governed by the laws of the State of New York; *provided, however*, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act, and to the recording provisions of any other statutes pursuant to which this Agreement and Assignment may be recorded.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in

their respective corporate names by duly authorized officers, or representatives, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

GREENVILLE STEEL CAR COMPANY

By GC Borchert  
Vice President

Attest:

FB Jensen  
Assistant Secretary

FIRST NATIONAL CITY BANK

By John F. Baurichter  
Vice President

Attest:

Robert C. Kutschera  
Assistant Cashier

Any money paid to the Vendor pursuant to the preceding paragraph of this Article shall, so long as none of the events of default specified in Article 17 hereof shall have occurred and be continuing, be applied, in whole or in part, as the Railroad may direct in a written instrument filed with the Vendor, to prepay instalments of the Conditional Sale Indebtedness, or, toward the cost of a unit or units of standard gauge railroad equipment (other than work or passenger equipment) first put into service no earlier than the date hereof to replace such unit suffering a Casualty Occurrence; *provided, however*, that if at any time after the last Closing Date the total amount of such moneys on deposit with the Vendor shall exceed the total amount of the remaining unpaid instalments of the Conditional Sale Indebtedness, the Vendor shall, on request of the Railroad, pay the amount of such excess to the Railroad. In case any money is applied to prepay instalments, it shall be so applied, on the instalment date next following receipt by the Vendor of such written direction, to reduce instalments falling due in the inverse order of their maturities, after payment by the Railroad of all interest then accrued on each instalment or portion thereof so prepaid, but without premium.

The Railroad will cause any replacement unit or units to be marked as provided in Article 6 hereof. Any and all such replacements of Equipment shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement as though part of the original Equipment delivered hereunder and shall be included in the term "Equipment" as used in this Agreement. Title to all such replacements shall be vested in the Vendor free and clear of all prior claims, liens, security interests and other charges and encumbrances, except Permitted Liens as defined in Article 13 hereof, and shall be taken initially and shall remain in the name of the Vendor subject to the provisions hereof, and the Railroad shall execute, acknowledge, deliver, file, record or deposit all such documents (including the filing with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act of an appropriate supplemental agreement describing such replacements) and do any and all such acts as may be necessary to cause such replacements to come under and be subject to this Agreement, and to protect the title of the Vendor to such replacement units. All such replacement units shall be warranted in like manner as is customary for units of like type and age.



Whenever the Railroad shall file with the Vendor a written direction to apply amounts toward the cost of any replacement unit or units, the Railroad shall file therewith in such number of counterparts as may reasonably be requested:

(1) a certificate of an Assistant Vice President, the Treasurer or the Secretary of the Railroad certifying that such replacement unit is standard gauge railroad equipment (other than work or passenger equipment) first put into service no earlier than the date hereof and is warranted in like manner as is customary for equipment of like type and age, and has been marked as required by the provisions of this Article, and certifying, in the event such replacement unit is new equipment, the cost of such replacement unit and, in the event such replacement unit shall be equipment theretofore used in railroad service, the fair value thereof;

(2) an opinion of counsel for the Railroad that title to such replacement unit is vested in the Vendor free and clear of all prior liens, security interests and other charges and encumbrances except Permitted Liens as defined in Article 13 hereof, that such unit has come under and become subject to this Agreement and that the Railroad has duly filed with the Interstate Commerce Commission, as provided by the third paragraph of this Article, the supplemental agreement required hereby and duly taken all other action required hereby; and

(3) a bill of sale to the Vendor from the owner of such replacement unit in form and substance satisfactory to the Vendor, together with the warranty referred to in clause (1) above.

So long as none of the events of default specified in Article 17 hereof shall have occurred and be continuing, any money paid to the Vendor pursuant to this Article shall, if the Railroad shall in writing so direct, be invested, and reinvested pending its application as hereinabove provided, in such marketable securities issued or guaranteed by the United States of America or its agencies, such commercial paper rated "A1" or "A2" by Standard & Poor's Corporation or "Prime 1" or "Prime 2" by Moody's Investors Service, Inc. (NCO) (or such commercial paper comparably rated by a national rating agency acceptable to the Bank) having a maturity no later than nine

months after the date of the purchase thereof by the Vendor, such time certificates of deposit to be purchased directly from any member bank of the Federal Reserve System having a combined capital and surplus of at least \$500,000,000 and such bankers' acceptances and other bills of exchange of the kind and maturities made eligible, pursuant to law, for purchase in the open market by Federal Reserve banks, provided that the accepting bank is a member bank of the Federal Reserve System having a combined capital and surplus of at least \$500,000,000 (such marketable securities, commercial paper, time certificates of deposit, bankers' acceptances and bills of exchange being hereinafter called "Permitted Investments"), as may be specified in such written direction. Any such obligation shall from time to time be sold and the proceeds reinvested in such Permitted Investments as the Railroad may in writing direct. Any interest received by the Vendor on any Permitted Investments shall be held by the Vendor and applied as herein provided. Upon any sale or payment at maturity of any Permitted Investments, the proceeds thereof, plus any interest received by the Vendor thereon, up to the cost (including accrued interest) thereof shall be held by the Vendor for application pursuant to this Article. If such proceeds (plus such interest) shall be less than such cost, the Railroad will promptly pay to the Vendor an amount equal to such deficiency and unless an event of default specified in Article 17 hereof shall have occurred and be continuing, if the amounts received thereon, including interest received upon or prior to such disposition, shall exceed such cost, the excess shall be paid to the Railroad upon its written request. The Railroad will pay all expenses incurred by the Vendor in connection with the purchase and sale of Permitted Investments.

If one of the events of default specified in Article 17 hereof shall have occurred and be continuing, then so long as such event of default shall continue all money then held by the Vendor pursuant to this Article (including for this purpose Permitted Investments) shall be applied by the Vendor as if such money were money received upon the sale of Equipment pursuant to Article 18 hereof.

**ARTICLE 8. *Maintenance and Repair.*** The Railroad will at all times maintain the Equipment in good order and repair at its own expense.

ARTICLE 9. *Builder's Warranty of Materials and Workmanship.*

The Builder warrants that the Equipment will be built in accordance with the Specifications and the standards and requirements set forth in Article 1 hereof and warrants that the Equipment will be delivered to the Railroad free from defects in material (except as to specialties incorporated therein specified by the Railroad and not manufactured by the Builder) and workmanship and design under normal use and service, the Builder's obligations under this paragraph being limited to making good at its plant any part or parts of any unit of the Equipment which shall, within one year after the delivery of such unit, be returned to the Builder with transportation charges prepaid and which the Builder's examination shall disclose to its satisfaction to have been thus defective. *This warranty is expressly in lieu of all other warranties, express or implied, including any implied warranties of merchantability or fitness for a particular purpose, and of all other obligations or liabilities on the part of the Builder, except for its obligations under Articles 1, 2, 3 and 15 hereof, and the Builder neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of the Equipment except as aforesaid.*

ARTICLE 10. *Compliance with Laws and Rules.* During the term of this Agreement, the Railroad will at all times comply in all respects with all laws of the jurisdictions in which its operations involving the Equipment may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration of the Equipment, the Railroad will conform therewith, at its expense, and will maintain the same in proper condition for operation under such laws and rules; *provided, however,* that the Railroad may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor under this Agreement.

ARTICLE 11. *Reports and Inspections.* On or before October 31 in each year, commencing with the year 1973, the Railroad shall furnish to

the Vendor an accurate statement signed by an officer of the Railroad (a) setting forth as at the preceding July 31 the amount, description and numbers of all units of the Equipment then covered hereby, the amount, description and numbers of all units of the Equipment that have suffered a Casualty Occurrence since the date of the most recent statement furnished pursuant to this Article (or since the date of this Agreement in the case of the first such statement) and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 6 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Railroad's records with respect thereto at such reasonable times as the Vendor may request during the term of this Agreement, but no failure by the Vendor or its agents to make any such inspection shall be deemed a waiver of any of the Vendor's rights under this Agreement.

ARTICLE 12. *Possession and Use.* The Railroad, so long as an event of default shall not have occurred under this Agreement and be continuing, shall be entitled to the possession of the Equipment and the use thereof upon the lines of railroad owned or operated by it either alone or jointly with others and whether under lease or otherwise, or upon the lines of railroad owned or operated by any railroad company controlled by, or under common control with, the Railroad, or over which it has trackage rights, or upon connecting and other railroads in the usual interchange of traffic, from and after delivery of the Equipment by the Builder to the Railroad, but only upon and subject to all the terms and conditions of this Agreement. In addition, the Railroad may lease the Equipment to an affiliate or, under a written lease for a term not exceeding one year (including all renewal or extension options reserved to the lessee or lessor), to a responsible company, as determined by the Railroad, in each such case without being released from its obligations under this Agreement, *provided* that the rights of such affiliate or company, as the case may be, shall in each case be made expressly subordinate to the rights and remedies of the Vendor under this Agreement. A copy of each such written lease shall be promptly furnished to the Vendor.

ARTICLE 13. *Prohibition Against Liens.* The Railroad will pay or satisfy and discharge any and all sums claimed by any party from, through or under the Railroad or its successors or assigns which, if unpaid, might become a lien, charge or security interest upon the Equipment, or any unit thereof, equal or superior to the Vendor's title thereto or property therein, but shall not be required to pay or discharge any such claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Vendor in discharge of liens, charges or security interests upon the Equipment shall be secured by and under this Agreement.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent (such liens being herein called "Permitted Liens").

ARTICLE 14. *Railroad's Indemnities.* The Railroad agrees to indemnify, protect and hold harmless each Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by such Vendor of title to the Equipment, out of the use and operation thereof by the Railroad during the period when title thereto remains in such Vendor or out of the transfer of title to the Equipment by such Vendor pursuant to any of the provisions of this Agreement. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of the Conditional Sale Indebtedness, together with interest thereon, and all other payments under this Agreement, the transfer of title to the Equipment pursuant to this Agreement or the termination of this Agreement in any manner whatsoever.

After acceptance by the Railroad of any unit or units of Equipment under Article 2 hereof, the Railroad will bear the risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit or units.

ARTICLE 15. *Patent Indemnities.* Except in cases of articles or materials specified by the Railroad and not manufactured by the Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by the Builder, the Builder agrees to indemnify, protect and hold harmless the Railroad from and against any and all liability, claims, demands, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Railroad, its assigns or the users of the Equipment because of the use in or about the construction or operation of any of the Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Railroad likewise will indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, demands, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Vendor because of the use in or about the construction or operation of any of the Equipment of any article or material specified by the Railroad and not manufactured by the Builder or of any design, system, process, formula or combination specified by the Railroad and not developed or purported to be developed by the Builder which infringes or is claimed to infringe on any patent or other right. The Builder agrees to and hereby does, to the extent legally possible without impairing any claim, right or cause of action hereinafter referred to, transfer, assign, set over and deliver to the Railroad every claim, right and cause of action which the Builder has or hereafter shall have against the originator of or against the seller or sellers of any designs, systems, processes, formulae, combinations, articles or materials specified by the Railroad and purchased or otherwise acquired by the Builder for use in or about the construction or operation of any of the Equipment, on the ground that any such design, system, process, formula, combination, article or material or operation thereof infringes or is claimed to infringe on any patent or other right. The Builder further agrees to execute and deliver to the Railroad or the users of the Equipment all and every such further assurance as may be reasonably requested by the Railroad more fully to effectuate the assignment and delivery of every such claim, right and cause of action. The Builder will give notice to the Railroad of any claim known to the Builder from which liability may be charged against the Railroad hereunder, and the Railroad will give notice to the Builder

of any claim known to the Railroad from which liability may be charged against the Builder hereunder. The foregoing covenants of indemnity shall continue in full force and effect notwithstanding the full payment of the Conditional Sale Indebtedness, together with interest thereon, and all other payments under this Agreement, the transfer of title to the Equipment pursuant to this Agreement or the termination of this Agreement in any manner whatsoever.

ARTICLE 16. *Assignments.* The Railroad will not sell, assign, transfer or otherwise dispose of all or any of its rights under this Agreement or, except as provided in Article 12 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor. An assignment or transfer to a railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each and all of the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve the Builder from, any of the obligations of the Builder to construct and deliver the Equipment in accordance with this Agreement or to respond to any of its warranties and indemnities under Articles 9 and 15 hereof, or relieve the Railroad of any of its obligations to the Builder under Articles 1, 2, 4, 14 and 15 hereof, subparagraphs (a) and (b) of the third paragraph of Article 3 hereof and this Article or of any other obligation which, according to its terms and context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be,

subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

The Railroad recognizes that it is the custom of railroad equipment manufacturers to assign agreements of this character and understands that the assignment of this Agreement, or of some of or all the rights of the Vendor hereunder, is contemplated. The Railroad expressly represents, for the purpose of assurance to any person, firm or corporation considering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder and for the purpose of inducing such acquisition, that in the event of such assignment by the Vendor as hereinbefore provided, the rights of such assignee to the entire unpaid indebtedness in respect of the Purchase Price, together with interest thereon, and all other payments as provided in this Agreement, or such part thereof as may be assigned, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of the Builder with respect to the Equipment or the manufacture, construction, delivery or warranty thereof, or with respect to any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by the Builder. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad against and only against the Builder.

In the event of any such assignment or successive assignments by the Vendor of title to the Equipment and of some of or all the Vendor's rights under this Agreement with respect thereto, the Railroad will, whenever requested by the assignee, change the markings on each side of each unit of the Equipment so as to indicate the title of such assignee to the Equipment, such markings to be such as shall be specified by such assignee, subject to any requirements of the laws of the jurisdictions in which the Equipment shall be operated by the Railroad. The cost of such markings in the event of an assignment of not less than all the Equipment at the time covered by this Agreement shall be borne by the Railroad and, in the event of any assignment of less than all such Equipment, such cost shall be borne by such assignee.



In the event of any such assignment prior to settlement for all the Equipment, the Railroad will (a) in connection with each settlement for a Group of Equipment subsequent to such assignment, deliver to the assignee, at the time of delivery by the Railroad of notice fixing the Closing Date with respect to such Group, all documents required by the terms of such assignment, to be delivered to such assignee in connection with such settlement, in such number of counterparts or copies as may reasonably be requested, except for any opinion of counsel for such assignee, and (b) furnish to such assignee such number of copies or counterparts of any other certificate or paper required by the Vendor as may reasonably be requested.

If this Agreement shall have been assigned by the Builder and the assignee shall not make payment to the Builder on the Closing Date with respect to a Group of Equipment of an amount equal to that portion of the aggregate Purchase Price of such Group payable by the Railroad pursuant to subparagraph (c) of the third paragraph of Article 3 hereof, the Builder will promptly notify the Railroad of such event and, if such amount shall not have been previously paid by the assignee, the Railroad will not later than 90 days after the Closing Date pay or cause to be paid to the Builder such amount, together with interest thereon from such Closing Date to the date of payment by the Railroad at a rate of interest per annum equal to the Base Rate in effect on such Closing Date. In the event that the Railroad shall pay, or cause to be paid, such amount to the Builder, the Railroad shall be relieved of its indebtedness pursuant to subparagraph (c) of the third paragraph of Article 3 hereof to the extent of the amount so paid.

ARTICLE 17. *Defaults.* In the event that any one or more of the following events of default shall occur and be continuing, to wit:

(a) the Railroad shall fail to pay in full any sum payable by the Railroad as provided in this Agreement within 30 days after such sum shall become due under this Agreement; or

(b) the Railroad shall, for more than 30 days after the Vendor shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this Agreement, or of any agreement entered into concurrently herewith relating to the financing of the Equipment, on its part to be

kept or performed or to make provision satisfactory to the Vendor for such compliance; or

(c) a petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77 may be hereafter amended, shall be filed by or against the Railroad and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees, within 30 days after such appointment, if any, or 60 days after such petition shall have been filed, whichever shall be earlier; or

(d) any proceedings shall be commenced by or against the Railroad for any relief under any bankruptcy or insolvency law, or law relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions, and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for the Railroad or for its property in connection with any such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier; or

(e) the Railroad shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any unit of the Equipment; or

(f) the Railroad shall fail to pay any indebtedness owing by the Railroad, or any interest or premium thereon, when due (or,

if permitted by the terms of the relevant document, within any applicable grace period), whether such indebtedness shall become due by scheduled maturity, by required prepayment, by acceleration, by demand or otherwise, or shall fail to perform any term, covenant or agreement on its part to be performed under any conditional sale agreement (other than this Agreement) evidencing or securing or relating to any indebtedness owing by the Railroad when required to be performed (or, if permitted by the terms of the relevant document, within any applicable grace period), if the effect of such failure is to accelerate, or to permit the holder or holders of such indebtedness or the trustee or trustees or agent or agents under any such conditional sale agreement to accelerate the maturity of such indebtedness, whether or not such failure to perform shall be waived by the holder or holders of such indebtedness or such trustee or trustees or agent or agents;

then at any time after the occurrence of such an event of default the Vendor may, upon written notice to the Railroad and upon compliance with any mandatory legal requirements then in force and applicable to such action by the Vendor, declare the entire indebtedness in respect of the aggregate Purchase Price of the Equipment (including, but not limited to, the unpaid balance of the Conditional Sale Indebtedness), together with the interest thereon then accrued and unpaid and all other amounts payable by the Railroad under this Agreement and not theretofore paid, immediately due and payable, without further demand or notice, and thereafter the aggregate of the unpaid balance of such indebtedness and interest and amounts not theretofore paid shall bear interest from the date of such declaration at the rate per annum specified in Article 3 hereof as being applicable to amounts remaining unpaid after becoming due and payable, to the extent legally enforceable. The Vendor shall thereupon be entitled to recover judgment for the entire unpaid balance of the indebtedness in respect of the aggregate Purchase Price of the Equipment so payable, with interest and other amounts as aforesaid, and to collect such judgment out of any property of the Railroad wherever situated.

The Vendor may at its election waive any such event of default and its consequences and rescind and annul any such declaration by notice to the Railroad in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event

of default had occurred and no such declaration had been made. Notwithstanding the provisions of this paragraph it is expressly understood and agreed by the Railroad that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

ARTICLE 18. *Remedies.* At any time after the entire indebtedness in respect of the aggregate Purchase Price of the Equipment shall have been declared immediately due and payable as hereinbefore provided (unless such declaration has been rescinded and annulled as provided in Article 17 hereof), the Vendor may, upon such further notice, if any, as may be required for compliance with any mandatory legal requirements then in force and applicable to the action to be taken by the Vendor, take or cause to be taken by its agent or agents immediate possession of the Equipment, or any unit thereof, without liability to return to the Railroad any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article expressly provided, and may remove the same from possession and use of the Railroad or any other person and for such purpose may enter upon the Railroad's premises or any other premises where the Equipment may be located and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Railroad, with or without process of law.

In case the Vendor shall demand possession of the Equipment pursuant to this Agreement and shall reasonably designate a point or points upon the lines of the Railroad for the delivery of the Equipment to the Vendor, the Railroad shall, at its own expense, forthwith and in the usual manner, cause the Equipment to be moved to such point or points on its lines as shall be designated by the Vendor and shall there cause the Equipment to be delivered to the Vendor. At the option of the Vendor, the Vendor may keep the Equipment on any of the lines or premises of the Railroad until the Vendor shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad agrees to furnish, without charge for rent or storage, the necessary facilities at any point or points selected by the Vendor reasonably convenient to the Railroad. This agreement to deliver the Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of

equity having jurisdiction in the premises, the Vendor shall be entitled to a decree against the Railroad requiring specific performance hereof. The Railroad hereby expressly waives any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Equipment in any reasonable manner.

At any time after the entire indebtedness in respect of the aggregate Purchase Price of the Equipment shall have been declared immediately due and payable as hereinbefore provided (unless such declaration has been rescinded and annulled as provided in Article 17 hereof), the Vendor (after retaking possession of the Equipment as hereinbefore in this Article provided) may, subject to any mandatory requirements of law then in force applicable thereto, at its election retain the Equipment as its own and make such disposition thereof as the Vendor shall deem fit, and in such event all the Railroad's rights in the Equipment will thereupon terminate and all payments made by the Railroad may be retained by the Vendor as compensation for the use of the Equipment by the Railroad; *provided, however*, that if the Railroad, within 20 days of receipt of notice of the Vendor's election to retain the Equipment for its own use, as hereinafter provided, shall pay or cause to be paid to the Vendor the total unpaid balance of the entire indebtedness in respect of the aggregate Purchase Price of the Equipment (including, without limitation thereto, the unpaid balance of the Conditional Sale Indebtedness, together with interest thereon accrued and unpaid), and all other amounts payable by the Railroad under this Agreement, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad; or the Vendor with or without the retaking of possession thereof may, at its election, sell the Equipment, or any unit thereof, free from any and all claims of the Railroad, or of any other party claiming from, through or under the Railroad at law or in equity, at public or private sale and with or without advertisement as the Vendor may determine, and pending any such sale the Vendor with or without retaking possession of the Equipment may, but shall have no obligation to, lease from time to time any or all units thereof to such persons or corporations on such terms and for such periods as it shall deem advisable, all subject to and in compliance with any mandatory requirements of law then in force and applicable to such sale; and the proceeds of such sale, less the attorneys' fees and any other expenses

incurred by the Vendor in taking possession of, removing, storing and selling the Equipment, shall be credited on the amount due to the Vendor under the provisions of this Agreement. Written notice of the Vendor's election to retain the Equipment for its own use may be given to the Railroad by registered mail addressed to the Railroad as provided in Article 23 hereof, at any time during a period of 30 days after the entire indebtedness in respect of the aggregate Purchase Price of the Equipment shall have been declared immediately due and payable as hereinbefore provided; and if no such notice shall have been given, the Vendor shall be deemed to have elected to sell the Equipment in accordance with the provisions of this Article.

To the extent permitted by any mandatory requirements of law then in force and applicable thereto, any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety, or in separate lots, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine in compliance with any such requirements of law. The Railroad shall be given written notice of such sale as provided in any such requirements, but in any event not less than 10 days prior thereto, by registered mail addressed to the Railroad as provided in Article 23 hereof. If such sale shall be a private sale permitted by such requirements, it shall be subject to the right of the Railroad to purchase or provide a purchaser, within 10 days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. To the extent not prohibited by any such requirements of law, the Vendor may bid for and become the purchaser of the Equipment, or any unit thereof, so offered for sale without accountability to the Railroad (except to the extent of surplus money received as hereinafter provided in this Article), and in payment of the purchase price therefor the Vendor shall be entitled, to the extent not prohibited as aforesaid, to have credited on account thereof all sums due to the Vendor from the Railroad hereunder.

Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed

expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein.

If, after applying all sums of money realized by the Vendor under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Railroad shall pay the amount of such deficiency to the Vendor upon demand, and, if the Railroad shall fail to pay such deficiency, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Railroad. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Railroad.

The Railroad will pay all reasonable expenses, including attorneys' fees and legal expenses, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including attorneys' fees, and the amount thereof shall be included in such judgment.

ARTICLE 19. *Applicable State Laws.* Any provision of this Agreement prohibited by or unenforceable under any applicable law of any jurisdiction (which is not overridden by applicable Federal law) shall as to such jurisdiction be ineffective without invalidating or modifying the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Railroad to the full extent permitted by law, it being the intention of the parties hereto that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Railroad, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intent to take possession of or to sell or lease the Equipment, or any unit thereof, and

any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Vendor's rights under this Agreement and any and all rights of redemption.

ARTICLE 20. *Extension Not a Waiver.* No delay or omission in the exercise of any right, power, remedy or privilege herein provided or otherwise available to the Vendor shall impair or affect the Vendor's right thereafter to exercise the same. Any extension of time for payment hereunder or other indulgence duly granted to the Railroad shall not otherwise alter or affect the Vendor's rights, powers, remedies or privileges or the obligations of the Railroad hereunder. The acceptance by the Vendor of any payment after it shall have become due hereunder shall not be deemed to alter or affect the obligations of the Railroad or any right, power, remedy or privilege of the Vendor hereunder with respect to any subsequent payments or default herein.

ARTICLE 21. *Recording.* The Railroad will cause this Agreement, any assignments hereof (a counterpart of the first such assignment being attached hereto) and any amendments or supplements hereto or thereto to be duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act; and the Railroad will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law or reasonably requested by the Vendor for the purpose of proper protection, to the satisfaction of counsel for the Vendor, of its title to the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Railroad will promptly furnish to the Vendor certificates or other evidence of such filing, registering, depositing and recording, and an opinion or opinions of counsel for the Railroad with respect thereto, in each case, satisfactory to the Vendor.

ARTICLE 22. *Payment of Expenses.* The Railroad will pay all reasonable costs and expenses (other than the fees and expenses of counsel for the Builder) incident to the preparation, printing, execution, delivery, administration and enforcement of this Agreement and the first assignment of this Agreement, and any instrument supplemental or related hereto or thereto, including all fees and expenses of counsel for, and including stamp and other taxes, if any, of, the first assignee of this Agreement and any party acquiring interests in such



first assignment, and all reasonable costs and expenses in connection with the transfer by any party or parties of interests acquired in such first assignment.

ARTICLE 23. *Notice.* Any notice hereunder to the Railroad shall be deemed to be properly served if delivered or mailed to the Railroad at Post Office Box 1808, Washington, D. C. 20013, or at such other address as may have been furnished in writing to the Vendor by the Railroad. Any notice hereunder to the Builder shall be deemed to be properly served if delivered or mailed to the Builder at Greenville, Pennsylvania 16125, or at such other address as may have been furnished in writing to the Railroad by the Builder. Any notice hereunder to any assignee of the Vendor or of the Railroad shall be deemed to be properly served if delivered or mailed to such assignee at such address as may have been furnished in writing to the Railroad or the Vendor, as the case may be, by such assignee.

ARTICLE 24. *Article Headings.* All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

ARTICLE 25. *Effect and Modification of Agreement.* This Agreement, including the Schedule hereto, exclusively and completely states the rights of the Vendor and the Railroad with respect to the Equipment and supersedes all other agreements, oral or written, with respect to the Equipment. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and duly executed on behalf of the Vendor and the Railroad.

ARTICLE 26. *Law Governing.* This Agreement shall be governed by the laws of the State of New York; *provided, however,* that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act and to the recording provisions of any other statute pursuant to which this Agreement may be recorded.

ARTICLE 27. *Certain Definitions.* The term "Vendor", whenever used in this Agreement, means, before any assignment of any of its rights hereunder, Greenville Steel Car Company, a Pennsylvania corporation, and any successor or successors for the time being to its manufacturing properties and business, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor or assignors as regards any rights hereunder that are retained or

excluded from any assignment; and the term "Builder", whenever used in this Agreement, means, both before and after any such assignment, Greenville Steel Car Company, and any successor or successors for the time being to its manufacturing properties and business.

The term "Railroad", whenever used in this Agreement, means Southern Railway Company, a Virginia corporation, and also any assignee of its rights under the Agreement pursuant to the first sentence of Article 16 hereof.

ARTICLE 28. *Execution.* This Agreement may be simultaneously executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. Although this Agreement is dated as of September 1, 1972, for convenience, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgements hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers, or representatives, thereunto duly authorized, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

GREENVILLE STEEL CAR COMPANY

By *H. C. Bruch*  
Vice President

Attest:

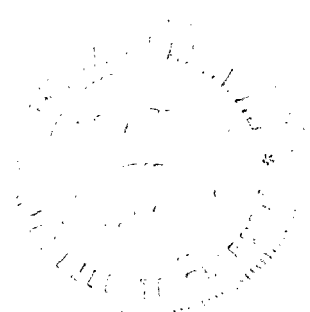
*H. B. Jensen*  
Assistant Secretary

SOUTHERN RAILWAY COMPANY

By *K. A. Flenker*  
Vice President

Attest:

*R. S. Allen*  
Assistant Secretary



COMMONWEALTH OF PENNSYLVANIA } ss.:  
COUNTY OF MERCER

On this 30th day of October, 1972, before me personally appeared G.C. Brecht, to me personally known, who, being by me duly sworn, says that he is a Vice President of GREENVILLE STEEL CAR COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Leora Smith  
Notary Public

[NOTARIAL SEAL]

My Commission Expires  
Feb. 21, 1973

LEORA SMITH, Notary Public  
GREENVILLE, MERCER COUNTY  
My Commission Expires Feb. 21, 1973

DISTRICT OF COLUMBIA:

On this 3rd day of November, 1972, before me personally appeared K. A. Stoecker, to me personally known, who, being by me duly sworn, says that he is a Vice President of SOUTHERN RAILWAY COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Lawrence A. Huff  
Notary Public

[NOTARIAL SEAL]

LAWRENCE A. HUFF  
NOTARY PUBLIC  
IN AND FOR THE DISTRICT OF COLUMBIA  
MY COMMISSION EXPIRES JUNE 30, 1977

# **SCHEDULE A**

<u>Builder</u>	<u>Type</u>	<u>Specifications</u>	<u>Location of Builder's Plant</u>	<u>Quantity</u>	<u>Railroad's Unit Numbers</u>	<u>Delivery Date</u>
Greenville Steel Car Company	100-ton 2400 cu. ft. capacity ballast cars	NCP-121	Greenville, Pennsylvania	50	994200 to 994249, both inclusive	Commencing November, 1972